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Supreme Court, U.S.
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IN THE

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1959.

No. 736

BRIGHT LEAF INDUSTRIES, INC.,
Petitioner,

vs.

E. VERNON STABLER, J. G. HENDRICK, and W. C. GATES, Individually; COLO-RITE MANUFACTURING COMPANY, INC., a Corporation; and GREENVILLE BUTANE GAS COMPANY, INC., a Corporation, Separately and Severally,
Respondents.

PETITION FOR A WRIT OF CERTIORARI

To the United States Court of Appeals for the Fifth Circuit and Appendix.

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PETITION FOR A WRIT OF CERTIORARI

To the United States Court of Appeals for the Fifth Circuit and Appendix.

Petitioner respectfully prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Fifth Circuit, reversing a final judgment of the United States District Court for the Middle District of Alabama, wherein originally the petitioner was plaintiff and the respondents were defendants.

OPINIONS BELOW.

The opinion of the United States Court of Appeals for the Fifth Circuit is reported at 261 F. 2d 383 and appears as Appendix A to this petition. The opinion of the United States District Court for the Middle District of Alabama is reported at 158 F. Supp. 294 and appears at pages 534-555, inclusive, of the Record, and as Appendix C to this petition.

JURISDICTION.

The opinion and judgment sought to be reviewed were entered by the United States Court of Appeals on November 21, 1958, and appear as Appendix A and B of this petition. Petitioner's timely petition for a rehearing was denied on January 22, 1959. The jurisdiction of this Court to review by writ of certiorari the judgment in question is conferred by Title 28, United States Code, Section 1254 (1).

QUESTIONS PRESENTED.

(1) Did the Court of Appeals err in reversing the District Court and holding that the patent in suit was invalid for want of invention, despite the District Court Judge's findings of fact that

(a) the invention of the patent in suit pertains to a gas-fired tobacco curing system based upon a new concept of curing wherein low, even, carefully controlled heat and high air volume are utilized to obtain new and improved results unobtainable in prior systems using high heat and relatively low air movement;

(b) the elements set forth in the claims of the patent in suit work together in combination to produce new and unobvious results heretofore unobtainable;

(c) the tobacco curing industry for years has worked to try to overcome the disadvantages of tobacco curing systems, and in some prior curers one or more of the disadvantages were partially overcome, but no curer prior to that disclosed in the patent in suit successfully overcame all of these disadvantages; and

(d) the patent in suit meets the standards of invention as set up for determining validity in Section 103 of Title 35 of the United States Code?

(2) Did the Court of Appeals err in failing to give proper weight to the presumption of validity attending the issuance of the patent in suit, as set forth in Section 282 of Title 35 of the United States Code?

(3) Did the Court of Appeals err in applying an improper test of what constitutes patentable invention by failing to apply the test of invention required by Section 103 of Title 35 of the United States Code?

(4) Did the Court of Appeals err in holding that the patent in suit was invalid despite its approval of findings by the District Court that the patent claimed an improved tobacco curing system combining old elements of the art in such a manner as to give rise to better results, inasmuch as this holding is contrary to previous decisions of the Supreme Court?

STATUTES, FEDERAL RULES AND REGULATIONS INVOLVED.

The instant case involves the following:

Title 35, United States Code, Section 103 (1952),

"A patent may not be obtained though the invention is not identically disclosed or described as set forth in section

102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

Title 35, United States Code, Section 282 (1952) in part.

"A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on a party asserting it."

Rule 52 of the Federal Rules of Civil Procedure in part.

"Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge the credibility of the witnesses."

STATEMENT OF THE CASE.

The patent in suit pertains to a gas-fired tobacco curing system relying upon a new concept of curing, wherein low, even, carefully controlled heat and high air volume are utilized to obtain new and improved results unobtainable in prior systems which use uncontrolled high heat and relatively low air movement.

To those unfamiliar with tobacco curing, the curing process appears to be nothing more than heating the tobacco leaves in a barn. In reality, tobacco curing is a complicated process involving a chemical action of the enzymes within green tobacco leaves. The leaves must be so processed as to permit the enzymes to convert the starches within the leaves to the optimum amount of sugar without excess enzymatic action and at the same time a large amount of water must be removed from the leaves

without removing desirable volatile substances such as tars, nicotine, and aroma. **Curing involves more than mere heating.** The patentee for the first time recognized the desirability of providing uniform controllable atmospheric conditions around each leaf of tobacco within a barn and for the first time conceived that new and improved results in curing could be obtained if he were able to provide such uniform controllable conditions.

To view the patented system in its proper perspective, it must be considered with respect to the tobacco curing art as it existed when the invention was made, namely, in August of 1946. The tobacco curing art is an old one, many types of curers, both patented and unpatented, having been used with varying results. These curers can be classified under three general types.

One, a flue type of curer (Pl. Ex. 15, R. 176-180), utilizes an oven and flue pipes which extend into a barn and into which hot air is introduced to create radiant heat within the barn. The hot air was first produced by a wood fire in a furnace connected to the flue and later by oil burners and coal stokers. Very little air is moved within the barn in this type of curer, and the tobacco is cured primarily by heat radiated from the flue pipes. Since the flue pipes are hotter adjacent the stove than elsewhere, the temperature varies considerably throughout the barn, and the lowermost tobacco leaves in direct contact with the radiant rays are dried more quickly than the upper leaves, with resultant uneven curing and poor grade tobacco.

A second type of curer known at the time of the invention utilizes a plurality of independent gravity feed oil burners within the barn, each having a vent stack extending up through the tobacco and the roof of the barn for venting away a portion of the fumes and products of oil

combustion as well as a good deal of the heat (Pl. Ex. 16, R. 181-184). This type of curer is difficult to control, produces "chimneys" through the tobacco, gives off a great amount of radiant heat, introduces fumes and harmful products of combustion into the curing atmosphere, provides uneven concentration of heat over each burner, and requires careful attention to operate.

A third type of curer known at the time of the invention utilizes a plurality of stove units, usually four, spaced one adjacent each corner of the barn (Pl. Ex. 17, R. 184-189). Each stove unit usually encloses groups of four or more individual oil burners of the wick type substantially identical to those used in well-known oil cook stoves. The groups of burners confined within the stoves concentrate the heat and curing is accomplished primarily by radiant heat rays which are concentrated on those tobacco leaves located immediately above each stove. The concentration of heat adjacent each stove unit causes the tobacco leaves over each stove unit to dry and shrink more rapidly, opening up space between the leaves and forming air channels or "chimneys" through the tobacco, causing tobacco in these areas to cure at a greater rate and to a greater extent than the other tobacco within the barn. This system, utilizing smelly fuel oil or kerosene, requires careful attention and is subject to constant malfunction. Fumes and products of combustion are introduced into the barn and frequently contaminate the tobacco being cured.

All of these prior curers are set forth in the patent in suit as being old at the time of the invention claimed therein. With all of these prior curers it was exceedingly difficult to adequately control the temperature of the individual units and impossible to maintain an even temperature throughout the entire barn. The uncontrolled heat, open oil flames, and red-hot flues in prior systems constituted serious fire hazards. The low volume air movement

in the barn produced by these prior units resulted in excessive curing times, and the short life of these curers, as well as the labor cost involved in the installation and operation thereof, resulted in excessive cost of curing. Most important, poor results were obtained due to uneven curing in certain areas of the barn, excessive heat, contamination by soot, oil fumes and the like, resulting in a lower price to the farmer for his tobacco.

The use of liquid fuel in prior curers made it very difficult to control the temperature within the barn, as it was necessary to maintain all burners absolutely level relative to each other (and relative to the level of fuel in the reservoir). Attempts to use thermostatic devices were not successful due to the time lag caused by the backup of liquid fuel in the lines and the impossibility of evenly controlling the amount of liquid delivered to each oil wick. The danger of keeping liquid fuel, both inside and outside of the barn, was a constant fire hazard. The use of high temperatures at localized areas in the barn resulted in increased fuel cost and inability to properly adjust the various burners resulted in uneven heat and tobacco which was improperly and unevenly cured.

The industry for years had worked to try to overcome these disadvantages, and in some prior curers one or more of the disadvantages were partially overcome, but no curer prior to the invention disclosed by the patent in suit successfully overcame all of these disadvantages. The art pertaining to tobacco curing systems is replete with numerous patents and attempts by others to construct a curing system which would solve these problems. Although the individual elements of the patented system were known for years, and gas fuel was available for some years prior to the invention disclosed therein, no one had evolved the concept of combining these elements with this particular type of fuel to provide a novel curing sys-

tem wherein low, even heat and high uniform air movement are utilized to obtain even curing resulting in heavier and better grade tobacco until the advent of Gilder S. Horne, the inventor of the system claimed in the patent in suit.

These prior attempts failed to solve the problems of tobacco curing because all of these prior efforts were concerned merely with putting heat in the barn. These prior patentees and the court below, failed to appreciate that curing involves more than heat alone.

The Horne invention came about by his recognition of a novel concept of curing tobacco based upon drying rather than heating. Horne proceeded on the theory that if a tobacco curing system could be developed wherein: (1) a large volume of heated air was moved upwardly through the tobacco as distinguished from simply putting large amounts of heat into the tobacco barn; (2) the large volume of heated air was uniformly directed in its upward movement throughout the tobacco in the barn as distinguished from upward movement at localized points within the barn; and (3) the temperature of the large volume of heated air was varied as required, within relatively wide limits for each separate curing stage but was maintained constant throughout the barn within relatively narrow limits during each curing stage, an answer to the problems plaguing the tobacco curing industry would be found. In meeting the challenge presented by the three factors outlined above, Horne evolved the system of the patent in suit.

Horne conceived that a plurality of gas burners could be used to create the necessary air flow and to disperse the heat evenly in the barn. He recognized that the burning of gas simultaneously in a plurality of gas burners dispersed throughout the barn would create a large volume of upwardly moving heated air.

At that time, available gas cost about twice as much per heat unit as liquid fuel, but Horne was not blinded by this fact. He perceived that his system using gas as a fuel would produce results so superior to those of prior curers as to fully warrant the increased fuel cost. The record of the success of the Horne invention is a tribute to the accuracy of his perception in 1946. This is particularly true in view of the evidence that no one had previously used gas, or even conceived that high priced gas could be used, as did Horne to obtain the advantages resulting from this new concept.

Horne, at the time of the invention, was an officer of Rulane Gas Company of Charlotte, North Carolina, who then had many years of experience in the gas field as related to consumer and rural use (R. 225, 226). The patented tobacco curing system was first put on the market in 1947 by Rulane Gas Company (R. 244), and subsequently the plaintiff, Bright Leaf Industries, Inc., acquired rights to the invention, and actively manufactured and sold the patented tobacco curing systems in large numbers (R. 36-37).

The defendant, Greenville Butane Gas Co., Inc., is a butane gas dealer of Greenville, Alabama, and is owned by the individual defendants, E. Vernon Stabler, J. G. Hendrick, and W. C. Gates, together with Mrs. E. Vernon Stabler, who owns ten per cent of the stock and is inactive in the management of the company.

Prior to June 2, 1950, J. G. Hendrick had observed one of the plaintiff's patented curing systems in operation and acting for Greenville Butane Gas Co., Inc., he then wrote to plaintiff requesting information about the patented curing system. Plaintiff furnished the requested literature and information which was clearly marked "Pat. No. 2,472,534" (R. 246). Again in early 1951, Mr. Hendrick

wrote to plaintiff and received further information on the patented system marked with the patent number.

In March of 1951, Greenville Butane Gas Co., Inc., ordered a complete curing system from plaintiff which was shipped with operating instructions bearing the patent number 2,472,334 (R. 250-251), and the burners of the unit were marked "Patented." Later in the same year, an additional curing system was ordered from plaintiff. The control unit of one system was returned with sand in it and cleaned out by plaintiff and later used by the defendants. The other system was completely satisfactory. Subsequent orders were not consummated due to plaintiff's requirement of cash on delivery.

Thereafter, Greenville Butane Gas Co., Inc., purchased and sold a combination stove and flue type radiant heat curer known as the "Gas-A-Fire" curer, selling only thirty-two units during a period of about three years. After the "Gas-A-Fire" company went out of business, late in 1953, defendants decided to manufacture their own complete curer with full knowledge of plaintiff's patented curer; and, with a copy of plaintiff's patent in their possession, they produced a curer which the record shows to be, in all material respects, identical to that of the plaintiff. In early 1954 the defendants manufactured and began selling these complete curing systems for curing tobacco in barns under the name "Colo-Rite."

In August of 1954, the plaintiff advised defendants that the Colo-Rite curing system was an infringement of plaintiff's patent rights. Subsequently, in February of 1955, the individual defendants caused the defendant, Colo-Rite Manufacturing Company, Inc., to be incorporated with minimum capitalization for the sole purpose of manufacturing the infringing curers. The new corporation continued to conduct its operations at the same location and

with the same officers and personnel as Greenville Butane Gas Co., Inc. All funds for the operation of the new Colo-Rite corporation came from Greenville Butane, either directly or upon loans guaranteed by Dr. Stabler. The defendant, Colo-Rite Manufacturing Company, Inc., was operated under the full control of the individual defendants, and continued to manufacture and sell infringing curers until the issuance of the preliminary injunction in this cause (R. 120-121).

Plaintiff instituted this action under Title 28, Section 1338 (a) of the United States Code. The District Court held that plaintiff's patent 2,472,534 was valid and infringed by the defendants. On appeal by the defendants, the judgment of the District Court was reversed by the Court of Appeals for the Fifth Circuit on the ground that the patent in suit is invalid for want of invention. Plaintiff's petition for a rehearing was denied.

REASONS FOR ALLOWANCE OF WRIT.

(1) The Court of Appeals for the Fifth Circuit in reversing the judgment of the District Court for the Middle District of Alabama by holding the patent in suit invalid for want of invention did not give proper consideration to the findings of fact by the District Court that the elements of the patent claims work together in combination to produce new results heretofore unobtainable. The District Court after a careful examination of the exhibits and conflicting testimony found the following facts:

> "As stated above, the invention of the patent in suit pertains to a gas-fired tobacco curing system based upon a new concept of curing wherein low, even, carefully controlled heat and high air volume are utilized to obtain new and improved results unobtainable in prior systems using high heat and relatively low air movement.

"The elements set forth in the five patent claims work together in combination to produce new and unobvious results heretofore unobtainable" (R. 540; App. C, p. 44).

* * * * * * *

"The industry, for years, has worked to try to overcome these disadvantages, and in some prior curers one or more of the disadvantages were partially overcome, but insofar as the Court is aware no curer prior to plaintiff's invention successfully overcame all of these disadvantages. The art is replete with numerous patents and attempts by others to construct a curing system which would solve these problems. Almost if not all of the individual elements of plaintiff's system were known individually for years and gas fuel was available in this area for some years prior to plaintiff's invention, yet no one prior to plaintiff had the inventive concept of combining these elements with this particular type of fuel to provide a new system wherein low heat and high air movement are utilized to obtain even curing, resulting in heavier and better grade tobacco." (R. 542-543; App. C, p. 46).

"This Court further concludes that the patent in suit meets the standards of invention as set up for determining validity in § 103 of the Patent Act of 1952, and that the Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corporation case cannot be used by these defendants as a 'sanctuary'." (R. 550; App. C, p. 53).

The decision by the Court of Appeals for the Fifth Circuit admits these facts.[1] Having admitted those facts found by the District Court, the Court of Appeals then pro-

[1] App. A, p. 31 . . . "The Horne patent is a combination patent. It is an improved system combining old elements of the art in such a manner so as to give rise to better results."

ceeded to ignore them and substituted its own independent opinion as to invention without any facts whatsoever to support its opinion.

Rule 52 of the Federal Rules of Civil Procedure provides that findings of fact shall not be set aside unless clearly erroneous, the Supreme Court having occasion to apply this rule in **Graver Tank & Mfg. Co. v. Linde Air Products Co.**, 1949, 336 U. S. 271, 275, 69 S. Ct. 535, 537:

> "To no type of case is this last clause more appropriately applicable than to the one before us, where the evidence is largely the testimony of experts as to which a trial court may be enlightened by scientific demonstrations. This trial occupied some three weeks, during which, as the record shows, the trial judge visited laboratories with counsel and experts to observe actual demonstrations of welding accused of infringing it, and various stages of the prior art. He viewed motion pictures of various welding operations and tests and heard many experts and other witnesses. He wrote a careful and succinct opinion and made findings covering all the factual issues.
>
> "The rule requires that an appellate court make allowance for the advantages possessed by the trial court in appraising the significance of conflicting testimony and reverse only 'clearly erroneous' findings.
>
> * * * * * * *
>
> "No such showing is made. While the ultimate question of patentability is one of meeting the requirements of the statute, R. S., Sec. 4888, as amended, 35 U. S. C., Sec. 31, 35 U. S. C. A., Sec. 31, the facts as found with respect to these four flux claims warrant a conclusion here that as matter of law those statutory requirements have been met. Accordingly, we affirm the judgment insofar as it holds claims numbered 18,

20, 22 and 23 define an invention for which patent has validly issued."

Moreover, the Supreme Court in deciding **Williams Mfg. Co. v. United Shoe Machinery Corp.**, 1942, 316 U. S. 364, 62 S. Ct. 1179, 86 L. Ed. 1537, comes to grips with a question identical in point of law with that existing in the present instance, the language of this Court at page 367 being especially pertinent to the present inquiry:

> "These findings are to the effect that the new combinations, while they involve old mechanical constructions, combine these in a new way so as to produce an improved result. These are **findings of fact**, despite the petitioner's apparent contention to the contrary, and we will not disturb such concurrent findings where as here, there is evidence to support them. The claim that the combinations are merely of old elements, which perform no new function and produce no new result, must be overruled." (Emphasis added.)

The Court of Appeals for the Fifth Circuit did not set aside as erroneous the findings of the District Court that new and improved results were obtained by the Horne invention which were not obvious to those having ordinary skill in the art. Nevertheless, the Court of Appeals found no invention even though the statutory test of invention was fully met. There is no factual basis for such a holding and it is clearly contrary to the evidence and the law.

(2) In holding the patent in suit invalid for want of invention, the Court of Appeals for the Fifth Circuit has made a hollow mockery of the statutory presumption of validity set forth in Title 35, United States Code, Section 282[2]. Indeed, the Court of Appeals, having only the benefit

[2] 35 U. S. C. 282 in part, "A patent shall be presumed valid. The burden of establishing invalidity of a patent shall rest on the party asserting it."

fit of brief arguments presented in connection with this case, has taken it upon itself to overturn the decisions of the United States Patent Office and the District Court in holding the patent in suit invalid without resorting to any prior art but merely upon the expressed opinion that the patent suffers from want of invention. Petitioner is well justified in asking of this Court, "Do the statutory provisions of Title 35, United States Code, Section 282, mean anything at all?" It clearly appears that notwithstanding the express statutory provisions of Section 282, the Court of Appeals for the Fifth Circuit has proceeded on the opposite theory that a patent shall be presumed invalid and the burden of establishing validity of a patent, shall rest upon the party asserting a claim thereunder.

If the intentions of the drafters of Section 282 which codifies the law expressed by the Supreme Court in the leading case of **Mumm v. Decker**, 1937, 301 U. S. 168, 171, 57 S. Ct. 675, 676:

> "The issue of the patent is enough to show, until the contrary appears, that all of the conditions under which a discovery is patentable in accordance with the statutes have been met. Hence, the burden of proving want of novelty is upon him who avers it. Walker on Patents, Sec. 116. Not only is the burden to make good this defense upon the party setting it up, but his burden is a heavy one, as it has been held that 'every reasonable doubt should be resolved against him.'"

are to be carried out, such flagrant disregard by the Court of Appeals of facts found by the District Court based upon an independent examination of the patent in suit should not be permitted.

Indeed, the Court of Appeals for the Fifth Circuit has rendered decisions wholly inconsistent with the holding

here, as in **Cameron Iron Works, Inc., v. Stekoll**, C. C. A. 5, 1957, 242 F. 2d 17, 20, in stating:

> "While we recognize the fact that the Allen patent is an improvement patent and hence not entitled to any broad degree of protection, we nevertheless are of the clear opinion that it reveals sufficient indicia of novelty and invention to justify a limited protection. Other factors strongly influencing, and which we think are supportive of our conclusion that the patent is valid, are: (1) the presumption of validity which attends the grant of a patent by the Patent Office; (2) the rule that the burden of establishing invalidity of a patent shall rest on the party asserting it and that any reasonable doubt will be resolved against him, 35 U. S. C. 282; and (3) the further well-established rule that an improvement combination is patentable even though its constituent elements are singly revealed by the prior art."

Moreover, the commercial success of plaintiff's entry, readily acknowledged by the Court of Appeals,[3] serves to enhance the presumption of validity as stated by this Court in **Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.**, 1944, 321 U. S. 275, 279, 64 S. Ct. 593, 594:

> "Viewed after the event, the means Anthony adopted seem simple and such as should have been obvious to those who worked in the field, but this is not enough to negative invention. During a period of half a century, in which the use of flashlight batteries increased enormously, and the manufacturers of flashlight cells were conscious of the defects in them, no one devised a method of curing such defects. Once the method was discovered it commended itself

[3] App. A, p. 31: "Its commercial success is beyond doubt. Better curing was achieved. The problems of the industry were answered. It appears that the plaintiff is one of the largest manufacturers of [illegible] fired tobacco curing systems today."

to the public as evidenced by marked commercial success. These factors were entitled to weight in determining whether the improvement amounted to invention and should, in a close case, tip the scales in favor of patentability. Accepting, as we do, the findings below, we hold the patent valid and infringed."

Can this Court vindicate the action of the Court of Appeals for the Fifth Circuit in forming its own independent opinion of invalidity while circumventing the express statutory presumption of validity where the evidence enhances the presumption and there is none to the contrary? This question is certainly one worthy of consideration by this Court.

(3) The Court of Appeals erred in applying an improper test of what constitutes patentable invention by failing to apply the test of invention required by Section 103 of Title 35 of the United States Code. The opinion of the Court of Appeals correctly stated that Section 103 of Title 35, United States Code, codifies the standard of invention set forth in **Hotchkiss v. Greenwood**, 1850, 52 U. S. 248 (11 How.), 13 L. Ed. 683, and lays to rest the "flash of genius" test set forth in **Cuno Engineering Corp. v. Automatic Devices Corp.**, 1941, 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58. Having once laid the groundwork for a proper interpretation of the statute, the Court of Appeals then proceeded to ignore the statute and improperly relied upon the Cuno case, even though the test of invention set forth in the Cuno case has been repudiated by the statutory requirement of invention enacted by Congress subsequent to this decision.

Section 103 of Title 35, United States Code, was enacted by Congress in 1952 in order to stabilize the pragmatic test of invention as determinative:

Section 103 provides as follows:

> "A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

The intent of Congress, as derived from Reviser's Notes, the committee reports and the background of its enactment, was to stabilize the test of invention by pinpointing the standard by which invention should be judged, thus forestalling great departures of the kind which appear in some recent cases, such as the Cuno Engineering and A & P[4] cases, and restoring public confidence in patents.

"Both the House and Senate Reports contain the following statement:

> "That provision paraphrases language which has often been used in decisions of the courts, and the section is added to the statute for uniformity and definiteness. This section should have a stabilizing effect and **minimize great departures which have appeared in some cases**"[5] (Emphasis added).

The above statement is an almost verbatim quotation from the testimony of P. J. Federico, then Examiner in Chief

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[4] Great Atlantic & Pacific Tea Co. v. Supermarket Corp., 1950, 340 U. S. 147, 71 S. Ct. 127, 95 L. Ed. 162.

[5] H. R. Rep. No. 1923, 82d Cong., 2d Sess. 7 (1952); S. Rep. No. 1979, 82d Cong., 2d Sess. 6 (1952).

of the Patent Office, given at the hearings of the House subcommittee.[6] In his "Commentary on the New Patent Act," 35 U. S. C. A. 1 at 22, Mr. Federico confirms that the "great departures" to which he referred were in the direction of greater strictness.

The House and Senate Reports also contain the following statement, indicative of an intention on the part of the legislators to breathe substantive life into Section 103:

> "Although the principal purpose of the bill is the codification of Title 35, United States Code, and involves simplification and clarification of language and arrangement and elimination of obsolete and redundant provisions there are a number of changes in substantive statutory law. These will be explained in some detail in the revision notes keyed to each section which appear in the appendix of this report. **The major changes or innovations in the title consist of incorporating a requirement for invention in Sec. 103** and the judicial doctrine of contributory infringement in Sec. 271"[7] (Emphasis added).

On the basis of such evidence as outlined above, one commentator has drawn the following conclusion:

> "If any firm conclusion can be drawn with respect to the intent of Congress, it is that Congress intended Section 103 to be the sole and exclusive test applicable when the question of invention was in doubt. As has been pointed out above, one may deduce this proposition simply from the language of the statute itself, but it is believed that one cannot absorb the atmosphere of

[6] Hearings before Subcommittee No. 3 of House Committee on Judiciary, 82d Cong., 1st Sess. 38 (1951).

[7] H. R. Rep. No. 1923, 82d Cong., 2d Sess. 5 (1952); S. Rep. No. 1979, 82d Cong., 2d Sess. 4 (1952).

> the hearings and the reports without attaining moral certainty that Congress intended that henceforth the courts should find noninvention only where the subject matter 'would have been obvious' to one skilled in the art. In what other way could it reasonably be supposed that the law would achieve 'uniformity and definiteness'? Unless all other tests of invention were eliminated, how could it be hoped that section 103 would have a 'stabilizing effect' or serve as the basis for some additional criteria 'which may be worked out' at a later time? It seems inescapable that the 'obviousness' test was established as the sole means of invalidating or refusing a patent for lack of invention. While this proposition appears elementary on its face and probably few would quarrel with it, its full significance has not been realized."[8]

In the present instance, the Court of Appeals ignored the many unsuccessful attempts of those skilled in the tobacco curing art to solve the same problem, ignored the fully supported finding of fact that the invention of the patent produced a new and unobvious result; ignored the new and unexpected result produced by the combination as a whole and then misapplied the stricter standard set forth in the Great A & P Tea Co. case. In so doing, the Court of Appeals refused to recognize that Section 103 was intended to temper the strict test of those cases which preceded its enactment and refused to recognize Section 103 as the sole and exclusive test by which patentable invention must be determined.

Here, the record in the District Court shows that the Horne invention was a major advance in the art of curing

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[8] Libert, "Section 103 of the Patent Act and the Standard of Invention: Comments on Lyon v. Bausch & Lomb Optical Co.," 38 J. Pat. Off. Soc'y 304, 325 (1956).

tobacco; that the industry needed the invention; that many prior attempts to overcome the problems of tobacco curing had failed; that the Horne invention solved the problem and filled a need; and that the Horne invention was widely accepted by the industry. The Court of Appeals accepted these facts.

The use of a plurality of spaced gas burners in a tobacco barn created an homogeneous mixture of air and heat and the combined action of these burners induced movement of large volumes of air uniformly through all of the tobacco in the barn. This could not be accomplished with one burner, or a group of burners confined in a stove, or with any other curing system known at the time of the invention. To destroy this patent as the Court of Appeals has done on the basis that pipes function as pipes, burners as burners, and a thermostat as a thermostat is to completely ignore the fact that the claimed combination of these elements as a whole produces for the first time new and improved results in tobacco curing which had not been obtained with existing equipment and which could not be obtained with other systems.

A judicial interpretation of the standard of invention as set forth in Section 103, Title 35, United States Code, by the Supreme Court has long been awaited. A well written appellate opinion in which this section of the statute and the preceding law have been carefully analyzed by Judge Learned Hand, exists in **Lyon v. Bausch & Lomb Optical Co.**, 224 F. 2d 530, 534, C. C. A. 2, 1955, cert. den. 350 U. S. 911, 1955. The following language from this decision is believed to be appropriate for this Court's consideration:

> "Therefore we at length come to the question whether Lyon's contribution, his added step, was enough to support a patent. It certainly would have done so twenty or thirty years ago; indeed it conforms

to the accepted standards of that time. The most competent workers in the field had for at least ten years been seeking a hardy, tenacious coating to prevent reflection; there had been a number of attempts, none satisfactory; meanwhile nothing in the implementary arts had been lacking to put the advance into operation; when it appeared, it supplanted the existing practice and occupied substantially the whole field. We do not see how any combination of evidence could more completely demonstrate that simple as it was, the change had not been 'obvious * * * to a person having ordinary skill in the art' . . . Sec. 103. On the other hand, it must be owned that, had the case come up for decision within twenty, or perhaps twenty-five, years before the Act of 1952 went into effect on January 1, 1953, it is almost certain that the claims would have been held invalid. The Courts of Appeal have very generally found in the recent opinions of the Supreme Court a disposition to insist upon a stricter test of invention than it used to apply—indefinite it is true, but indubitably stricter than that defined in Sec. 103. Indeed, some of the justices themselves have taken the same view. The Act describes itself as a codification of existing law, as it certainly is in the sense that the structure of the system remains unchanged. Moreover, those decisions that have passed upon it have uniformly referred to it as a codification, although so far as we have found none of them has held that Sec. 103 did not change the standard of invention. And so the question arises whether we should construe Sec. 103 as restoring the law to what it was when the Court announced the definition of invention, now expressly embodied in Sec. 103, or whether we should assume that no change whatever was intended. To decide that question it seems desirable to look briefly backward."

Judge Learned Hand then observed:

"In Hotchkiss v. Greenwood, 11 How. 248, 267, 13 L. Ed. 683, the Court imposed an authoritative gloss upon the word, which it put in the following words: 'unless more ingenuity and skill in applying the old method' were necessary 'than were possessed by an ordinary mechanic acquainted with the business, there was an absence of that degree of skill and ingenuity which constitute essential elements of every invention. * * *'

* * * * * * *

"Thereafter this became the standard rubric and was applied in many cases * * * the Court never formally abjured it; nor has it ever substituted any other definite test. Even Cuno Engineering Corp. v. Automatic Devices Corporation, 314 U. S. 84, 62 S. Ct. 37, 86 L. Ed. 58—which in expression probably was the furtherest departure—recognized the continued authority of Hotchkiss v. Greenwood, supra, 314 U. S. at page 90, 62 S. Ct. at page 40: 'if an improvement is to obtain the privileged position of a patent more ingenuity must be involved than the work of a mechanic skilled in the art.' Again, 314 U. S. at page 91, 62 S. Ct. at page 40: 'The principle of the Hotchkiss case applies to the adaptation or combination of old or well known devices for new uses.'"

In conclusion, Judge Hand states:

"Sec. 103 only restores the original gloss, substantially in ipsissimis verbis; which has never been overruled; but on the contrary for seventy or eighty years had continued to be regarded as authoritative.

* * * * * * * *

"Courts again and again shift their position; and, although they are apt to do so under cover of nice

distinctions, they impose the risk of anticipating the changes upon those who may have acted upon the faith of the original. Certainly a legislature, whose will the Courts have undertaken to proliferate, must be free to reinstate the courts' initial interpretation, even though it may have been obscured by a series of later comments whose upshot is at best hazy."

The Bausch & Lomb case has been followed in the Fourth Circuit, **Brown et al. v. Brock et al.**, C. C. A. 4, 1957, 240 F. 2d 723; the Third Circuit, **Palmer v. Ludens, Inc.**, 236 F. 2d 496, C. C. A. 3, 1956; and by the Court of Appeals for the District of Columbia in **L. O. F. Glass Fibers Co. v. Watson**, 228 F. 2d 40, 1955.

Other courts and the decision by the Court of Appeals for the Fifth Circuit in the instant case take positions contrary to the well-reasoned opinion in the Bausch & Lomb case. This situation creates confusion between the various Circuit Courts which should be resolved by this Court.

Ever since the enactment of the Patent Act of 1952, a judiciary interpretation by this Court of the test for invention stated in Section 103 has been sought. The instant case presents an excellent opportunity to this Court to resolve the existing confusion. The District Court held the petitioner's patent valid. The Court of Appeals reversed the District Court, holding the patent invalid for want of invention. The standard of invention applied by the Court of Appeals was not consistent with the requirement of Section 10. in that, relying upon the strict test of invention set forth in **Great Atlantic & Pacific Tea Co. v. Supermarket Corp.**, 340 U. S. 147, 71 S. Ct. 127 (1950), the Court of Appeals ignored the many unsuccessful attempts of those skilled in the art to resolve the same problem and substituted its own casual opinion of no inven-

tion without any factual or statutory basis. Apparently the simplicity of the invention blinded the Court to its real practical worth.

Commentators on this question have almost without exception alined themselves in favor of the sensitive approach to the problem set forth by Judge Learned Hand in the Bausch & Lomb case. The comments on the Bausch & Lomb case may be appropriately summarized by the following language from one such commentator:

> "Applying the 'obviousness' test to specific cases, it must be observed that the cases where it is most difficult to say that the invention would have been obvious to those skilled in the art, are those cases in which the evidence clearly shows that those most skilled in the art have sought a solution to a particular and perplexing problem for many years, but have been without success until the discovery of the patentee. In the Bausch & Lomb case, the court found that such a long, concentrated, and unsuccessful search was present. It is only natural that the court should find that it could not invalidate the patent without disregarding the test established by Congress in section 103.'
>
> "It is submitted that the decision in the Bausch & Lomb case is correct on the facts as found by the court, and that its analysis of the effect of section 103, correctly understood, is more in accord with the intent of Congress than any of the other cases which have considered the question."[9]

The same type of "long, concentrated, and unsuccessful search" as referred to above is present here. Thus, the

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[9] Libert, "Section 103 of the Patent Act and the Standard of Invention: Comments on Lyon v. Bausch & Lomb Optical Co.," 38 J. Pat. Off. Soc'y 304, 328 (1956).

Court of Appeals for the Fifth Circuit "could not invalidate the patent without disregarding the test established by Congress in Section 103."

(4) The Court of Appeals by holding that the patent in suit was invalid takes a position contrary to previous decisions of this Court, since the Court of Appeals expressly approved findings of the District Court that the patent disclosed an improved tobacco curing system combining old elements of the art in such a manner as to give rise to better results.

This Court has long recognized that improvement patents may be valid if new and useful results are produced. In **Seymour v. Osborn**, 1870, 78 U. S. 516, 548, the following principle is stated:

> "New and useful machines are the proper subjects of an application for a patent, and so, by the express words of the acts of Congress, are new and useful improvements on any machine. All of the patents embraced in the suit fall under the second clause of the provision, and are of the fourth class of patents before described, that is, they consist of a new combination of old elements whereby a new and useful result is obtained."
>
> . . . . . .
>
> "Improvements for which a patent may be granted must be new and useful, within the meaning of the patent law, or the patent will be void, but the requirement of the patent act in that respect is satisfied if the combination is new and the machine is capable of being beneficially used for the purpose for which it was designed, as the law does not require that it should be of such general utility as to supersede all other inventions in practice to accomplish the same object."

The more recent case of **Williams Mfg. Co. v. United Shoe Machinery Corp.**, 316 U. S. 364, reaffirms this Court's position that old mechanical constructions combined in a new way so as to produce an improved result may constitute a valid patent, it being noted that this Court determined these findings to be factual.

In effect, is the intent of the drafters of Sections 103 and 282 of Title 35, United States Code in codifying the law gleaned from previous decisions of this Court to be utterly ignored in allowing an appellate Court to make an independent inquiry into the validity of a patent exclusive of the findings of fact of a District Court? Is the "presumption of validity" supposedly attendant upon every patent issued by the United States Patent Office only an empty shell to be abused and treated as if it did not exist?

This Court has yet to rule upon the validity of a patent under the Patent Act of 1952 even though seven years have elapsed since its passage. A judicial interpretation by this Court of the legal points herein involved would serve to dispel the rampant confusion now existing as to what "the test for patentability" actually involves. In the absence of judicial guidance by this Court, the Federal Courts throughout the United States have applied and misapplied Section 103 in every conceivable fashion. In the present instance, the Court of Appeals for the Fifth Circuit comprised of individuals untrained in the knowledge of tobacco curing and its problems by making a hasty decision of invalidity of the patent in suit, based upon purely personal impressions has traveled to an extreme of "what constitutes invention" directly opposed to that envisioned by the drafters of Section 103. The Patent Bar and the Federal Courts have long awaited the time when this Court would affirmatively establish Section 103 as the sole test for determining patentability.

CONCLUSION.

For the reasons set forth in this petition, it is respectfully submitted that certiorari should be granted.

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APPENDIX A.

In the
UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT.

No. 17,321.

E. VERNON STABLER, ET AL.,
Appellants,
Versus
BRIGHT LEAF INDUSTRIES, INC.,
Appellee.

Appeal from the United States District Court for the Middle District of Alabama.

(November 21, 1958.)

Opinion of the United States Court of Appeals for the Fifth Circuit.

Before Rives, Brown, and Wisdom, Circuit Judges.

Wisdom, Circuit Judge: The plaintiff, Bright Leaf Industries, sued the defendants for patent infringement. The patent in suit, issued to Gilder S. Horne, June 7, 1949[1], covers an improved system and apparatus for curing tobacco. The district court, after granting a temporary injunction, held that the defendants had infringed the patent in suit and issued a permanent injunction. The defendants argue that (1) the Horne patent is invalid for want of invention and (2) prior anticipation, and, in any

[1] At the time of the invention Horne was an officer in Rulane Gas Company. The curing system was first put on the market by Rulane, and subsequently Bright Leaf Industries acquired rights to the invention.

event, there was (3) non-infringement. We reverse the judgment on the ground that the Horne patent is invalid for want of invention.

The Horne patent provides for a plurality of properly spaced gas burners within a barn where tobacco leaves are hung. The burners are operated from a common source of liquified petroleum gas, and the temperature is regulated by means of a thermostat. The burners are piped together. The thermostat regulates the flow of gas to the burners in accordance with the temperature within the barn. A perforated cage member is fitted over each burner. In each cage member there is a pan to hold the water given off by the leaves from the heat of the burners. The water is then evaporated in the pans. That is the Horne patent.

Tobacco curing is an old art. Although the methods of curing have differed, the theory of curing has never changed. Curing is predicated on the use of heat to dry the tobacco leaf. The system embodied in the Horne patent is no different. Prior curers, however, had many disadvantages. Some required too much heat in curing. This caused uneven curing. In some cases, the introduction of products of combustion resulted in contamination of the leaf. It was difficult to control the temperature in the units and the barn. The use of oil fuel created unwanted odors, and soot. It created a fire hazard if the flame was open. Low air movement caused excessive and uneven curing. In the main, the difficulty was to find a clean fuel and a way to control the heat so as to get even curing of the leaf. The art evidences numerous attempts to overcome the disadvantages, to construct a curing system that would solve these problems. Horne did it. The use of liquid petroleum gas offered a clean odorless fuel, a fine curing atmosphere. The plurality of gas burners gave increased heat volume and even heat distribution.

while the use of the thermostatic device provided a means for evenly controlling the temperature in the barn.

All of the individual elements of the Horne patent are admittedly old. They were known and used for years in one form or another. Gas fuel was available, but not used successfully. The plaintiff claims invention lies in the combination of the elements. The meat of the patent is the use of liquid petroleum gas with the gas burners, controlled by the use of a thermostat. Its commercial success is beyond doubt. Better curing was achieved. The problems of the industry were answered. It appears that the plaintiff is one of the largest manufacturers of gas-fired tobacco curing systems today.

The individual defendants, E. Vernon Stabler, Mrs. Stabler, Hendrick and Gates, are the owners of the defendant corporations, Greenville Butane Gas Co. and Colo-Rite Manufacturing Co. After obtaining information and literature on the plaintiff's curer, they began to manufacture their own curer which is substantially the same. It has a plurality of gas burners spaced in the tobacco barn by branch pipes. Their curer utilizes the same means for regulating gas and controlling the flames as the plaintiff's curer; the burners, heat spreaders and perforated cage members are substantially the same.

The Horne patent is a combination patent. It is an improved system combining old elements of the art in such a manner so as to give rise to better results. The question in all such cases is whether the improved combination of old elements can be raised to the dignity of invention. Was the addition of liquid petroleum gas and the thermostat enough to support a patent? We think not.

In the old case of **Hotchkiss v. Greenwood**, 1850, 52 U. S. 248 (11 How.), 13 L. Ed. 683, the court held that a combination of elements does not constitute an invention if its

creation required no more ingenuity and skill than that "possessed by ordinary mechanics acquainted with the business." Section 103 of the Patent Act of 1952[2] codifies the Hotchkiss "mechanical skill" rule and attempts to lay to rest the "flash of genius" standards of invention. **Palmer Co. v. Luden's, Inc.**, 3 Cir., 1956, 236 F. 2d 496.

Inventions require close scrutiny lest patent monopolies be granted to "each slight technological advance in an art" merely because it is useful. **Cuno Engineering Corp. v. Automatic Devices Corp.**, 1941, 314 U. S. 84, 62 S. Ct. 37 86 L. Ed. 58. Here, Horne found that liquid petroleum gas provided the art with clean and odor-free fuel. A thermostat provided the answer for controlling the temperature in tobacco barns. Horne connected the well known device of a Bunsen burner, using a conventional connection. It seems to us that he simply added together several old elements, each independently usable. Each functions in its own way and there is no new coaction between the elements. No doubt the result is a tobacco curer that functions better than other curers. Such a functional difference, however, is not sufficient to sustain a patent. The combined results were a mere aggregati of old elements requiring no more than mechanical skill. As was said in **Lincoln Engineering Co. v. Stewart Warner Corp.**, 1938, 303 U. S. 545, 58 S. Ct. 662, 82 L. Ed. 1008. "The mere aggregation of known or old parts or elements which in the aggregation performed or produced no new and different function or operation than that theretofore performed or produced by them is not patentable invention."

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[2] "A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made." 35 USCA 103.

The essential factor or element of invention is not established by the fact that the combination of elements has produced a system or apparatus that is more useful in the art than any pre-existing system. **Altoona Publix Theatres v. American Tri-Ergon Corp.**, 1935, 292 U. S. 477, 55 S. Ct. 455, 79 L. Ed. 1005. In the Altoona case, the Court held that the addition of a flywheel to a standard sound recording device, giving the needed uniformity of speed, was not invention. "An improvement to an apparatus or method, to be patentable, must be the result of invention, and not the mere exercise of the skill of the calling or an advance plainly indicated by the prior art." The Court said that the use of the flywheel had been the standard procedure for a long time for securing uniformity of motion. Thus the addition of the flywheel, no matter how skillfully done, no matter how useful in the art, was "still the product of skill, not of invention." In **Powers Kennedy Corp. v. Concrete M. S. C. Co.**, 282 U. S. 175, 186, 75 L. Ed. 278, 286 (1930), the court said:

> "For these reasons we find that the patent (for a concrete conveyor using compressed air) is invalid. It consists of a combination of elements all of which were old in the art. Its application to the transportation of concrete did not involve invention. Neither the combination of old elements or devices accomplishing no more than an aggregate of old results (citing cases) nor the use of an old apparatus or appliance for a new purpose is invention."

In the case of **Keystone Driller Co. v. Northwest E. Corp.**, 294 U. S. 42, 50, 79 L. Ed. 747, 752 (1935), the court said:

> "We are convinced that the fixation of the scoop (in an excavator) to the stick, the pivoting of a drop bottom near the front of the scoop, and the addition of rake teeth at the sides of the scoop, were all old in the art and that the combination of them and adaptation

of the combined results were a mere aggregation of old elements requiring no more than mechanical skill, and were not, therefore, patentable invention."

The important case of **Great Atlantic & Pacific Tea Co. v. Supermarket Corp.**, 1950, 340 U. S. 147, 71 S. Ct. 127, 95 L. Ed. 162, guides the line we draw between mechanical skill on the one hand and invention on the other. In the A & P case, the patentee improved the familiar moveable checking counter that is found in our supermarkets today. The Court held the patent invalid for want of invention. The language of the Court is important:

"A patent for a combination which only unites old elements with no change in their respective functions, such as presented here, obviously withdraws what already is known into the field of its monopoly and diminishes the resources available to skillful men. This patentee has added nothing to the total stock of knowledge, but has merely brought together segments of the prior art and claims them in congregation as a monopoly.

"The Court of Appeals and the respondent both lean heavily on evidence that this device filled a long-felt want and has enjoyed commercial success. But commercial success without invention will not make patentability. . . . The courts below concurred in finding that every element here claimed (except extension of the counter) was known to prior art. When, for the first time, those elements were put to work for the supermarket type of stores, although each performed the same mechanical function for them that it had been known to perform, they produced results more striking, perhaps, than in any previous utilization. To bring these devices together and apply them to save the time of customer and checker was a good idea, but scores of progressive ideas in business are

not patentable, and we conclude on the findings below that this one was not."

Horne contends that his curer is predicated upon a new inventive concept: Drying, instead of heating, using low, even controlled heat. The claim is somewhat similar to the claim for "so-called balanced heat . . . through substantially even distribution of heat" advanced in **General Motors Corp. v. Estate Stove Co.**, 6 Cir., 1953, 201 F. 2d 645. The court considered that the claims with respect to obtaining balanced heat were too indefinite to sustain a finding of validity on this aspect of the patent. With varying degrees of success all tobacco curers use heat for drying tobacco leaves and attempt to secure even controlled heat. It should be noted that Horne did not claim that he had invented a new process but rather an apparatus for carrying out a process.

It may be easy to say, now that what Horne did was simple and obvious and that a problem once solved appears as never having presented difficulty. On the other hand it is also easy to say that a successful, perhaps amazing, result must have been the result of an invention. We have to eschew both these not unreasonable points of view and test the validity of a patent in the light of the patent law as it is applied in the courts. As stated by this Court in **Butex Gas Co. v. Southern Steel Co.** (1941), 123 F. 2d 954:

"The main idea is to combine all of the necessary valve gauges, and other safety appliances into a single assembled unit. . . . Applying the rule thus authoratively settled by this Court, we think no invention is shown in assembling those old elements for the purposes declared. No new function is evolved from the combination; the new result, so far as one is achieved, is only that which arises from the well known operation of each one of the elements. . . . From the vo-

operation of the elements here brought together, to new results, involving the exercise of creative faculty which is invention is achieved.'

In this case Horne put together gas pipes, Bunsen burners, and a thermostat to produce heat and spaced the burners evenly, as anyone would. The pipes, the burners, and the thermostat do not perform any additional or different function in the combination than they do out of it.

Horne's tobacco curer may be an effective and useful curing system. As we see it, however, it was an obvious application of gas to tobacco curing, a plumbing operation that required only mechanical skill.

Our view that the patent is invalid makes it unnecessary for us to discuss the questions of anticipation and infringement.

The judgment is reversed.

APPENDIX B.

Judgment of United States Court of Appeals for the Fifth Circuit.

Extract from the Minutes of November 24, 1958.

E. VERNON STABLER ET AL.,

No. 17321 versus

BRIGHT LEAF INDUSTRIES, INC.

This cause came on to be heard on the transcript of the record from the United States District Court for the Middle District of Alabama, and was argued by counsel;

On Consideration Whereof, It is now here ordered and adjudged by this Court that the judgment of the said District Court in this cause be, and the same is hereby, reversed;

It is further ordered and adjudged that the appellee, Bright Leaf Industries, Inc., be condemned to pay the costs of this cause in this Court for which execution may be issued out of the said District Court.

APPENDIX C.

Bright Leaf Industries, Inc.,

Plaintiff,

v.

E. Vernon Stabler, J. G. Hendrick and W. C. Gates, Individually; E. Vernon Stabler, J. G. Hendrick, and W. C. Gates, Co-partners Doing Business Under the Name and Style of Colo-Rite Manufacturing Company; Colo-Rite Manufacturing Company, Inc., a Corporation; and Greenville Butane Gas Co., Inc., a Corporation, Separately and Severally.

Defendants.

Civil Action No. 1249-X

United States District Court,

Middle District of Alabama.

Opinion.

December 17, 1957.

Eaton, Bell, Hunt & Seltzer, Charlotte, North Carolina, Jennings, Carter & Thompson, Birmingham, Alabama, of counsel, for plaintiff.

Bacon & Thomas, Washington, D. C., Edward Taylor Newton and George M. Hopkins, Atlanta, Georgia, Poole & Poole, Greenville, Alabama, of counsel, for defendants.

Johnson, District Judge.

The above-styled cause, coming on to be heard, was tried before the Court without a jury on the issues as made up by the pleadings and the proof.

Upon consideration of the evidence, consisting of the oral testimony of several witnesses, the exhibits, several depositions and the stipulations entered into by and between the parties, the Court now proceeds to make and incorporate in this memorandum opinion the appropriate findings of fact and conclusions of law.

The plaintiff, Bright Leaf Industries, Inc., a corporation of North Carolina, brings this suit for infringement of its United States Patent No. 2,472,534, issued on June 7, 1949, to Gilder S. Horne; said patent was, prior to any of the events concerned in this suit, assigned by the original patentee to this plaintiff. The patent pertains to an improved system and apparatus for curing tobacco in tobacco barns by providing a plurality of properly spaced gas burners within the barn, said burners to be operated from a source of liquefied petroleum gas and with an automatic temperature regulating means. The claims set out in the issued patent are as follows:

"1. A tobacco curing system for curing tobacco hung in a barn comprising a plurality of gas burners disposed within the barn, a source of gas disposed on the exterior of the barn and a piped connection between the source of gas and the burners, said piped connection comprising a main pipe extending along the barn and having branch pipes extending from opposed sides thereof, each branch pipe being connected to an individual burner, the burners being disposed a substantial distance from the walls of the barn, means associated with each of the burners for regulating the flow of gas thereto, a control valve in the piped connection and temperature controlled means disposed within the barn and connected to said control valve for partially opening or closing the valve to thereby regulate the flow of gas to the burners in accordance with the temperature within the barn.

"2. Apparatus for heating a tobacco barn for curing tobacco disposed therein comprising a plurality of gas burners disposed within the barn a substantial distance away from the walls of the barn, a source of gas on the exterior of the barn, a main pipe leading from the source of gas along a central portion of the barn, individual branch pipes leading from the main pipe to each of the burners, a flow control valve disposed in said pipe and temperature responsive means disposed within the barn and extending to said valve for partially opening or closing the valve to thereby control the flow of gas through the pipe to the burners, and a perforated cage member disposed over each of the burners.

"3. Apparatus for heating a tobacco barn for curing tobacco disposed therein comprising a plurality of gas burners disposed within the barn and spaced a substantial distance away from the walls of the barn, a source of gas on the exterior of the barn, a main pipe leading from the source of gas along a central portion of the barn, individual branch pipes extending from both sides of the main pipe to the burners, a flow control valve disposed in said main pipe and temperature responsive means disposed within the barn and extending to said valve for controlling the size of the opening in the valve to thereby control the flow of gas through the pipe to the burners, a perforated cage member disposed over each of the burners, a pan disposed within each of said cage members and above said burners for holding water to be evaporated by the heat from the burners.

"4. A tobacco curing system for curing tobacco hung in a barn comprising a plurality of gas burners disposed within the barn and spaced a substantial distance away from the walls of the barn, a source of gas disposed on the exterior of the barn and a piped

connection between the source of gas and the burners, means associated with each of the burners for regulating the flow of gas thereto, a control valve in the piped connection and temperature controlled means disposed within the barn and connected to said valve means for controlling the size of the opening in the valve to thereby control the flow of gas to the burners in accordance with the temperature within the barn, and a perforated cage member disposed on the floor of the barn and completely enclosing said burners to shield them against a falling tobacco leaf lodging thereon, said piped connection comprising a main pipe, and each burner having a branch pipe connected to the burner and to the main pipe.

"5. A tobacco curing system for curing tobacco hung in a barn comprising a plurality of gas burners disposed within the barn a substantial distance from the walls of the barn, a source of gas disposed on the exterior of the barn and a piped connection between the source of gas and the burners, said piped connection comprising a main pipe disposed substantially centrally of the barn, and each burner having a branch pipe connected to the burner and to the main pipe, means associated with each of the burners for regulating the flow of gas thereto, a control valve in the piped connection, temperature controlled means disposed within the barn and connected to said control valve for controlling the size of the opening in the control valve for regulating the flow of gas to the burners in accordance with the temperature within the barn, and a perforated cage member disposed on the floor of the barn and completely enclosing said burners to shield them against a falling tobacco leaf lodging thereon, each of said cage members having a pan in the top portion thereof into which water is adapted to be placed to be evaporated by the heat from the burners."

This Court, upon proper complaint and bond, issued a temporary injunction against the defendants' alleged infringement of said patent. Plaintiff now seeks to have this Court make the injunction permanent, enjoining the defendants from further infringement of said patent; seeks an accounting for profits made by the defendants as a proximate consequence of said infringement; seeks treble damages for defendants' wilful infringement; and also seeks attorneys' fees and court costs for prosecuting this action.

The defendant Greenville Butane Gas Co., Inc., is an Alabama corporation, having a regular and established place of business in this district. The stock in this corporation is owned by the individual defendants, Stabler, Hendrick and Gates, together with Mrs. E. Vernon Stabler, the wife of the defendant Stabler. Mrs. Stabler is inactive in the management of the company. The individual defendants, Stabler, Hendrick and Gates, actively control and manage the Greenville Butane Gas Co., Inc. The defendant Colo-Rite Manufacturing Company, Inc., is an Alabama corporation, having a regular and established place of business in this district. The individual defendants, Stabler, Hendrick and Gates, own all of the issued stock of the Colo-Rite Manufacturing Company, Inc., and the individual defendants actively control and manage the defendant Colo-Rite Manufacturing Company, Inc. The tobacco curing system, as patented, was first used in North and South Carolina in the summer of 1946. It was put on the market and sold in these two states in 1947. Since that date, the plaintiff, Bright Leaf Industries, Inc., acquired the rights to the system as patented and has actively manufactured and sold the patented systems in large numbers throughout the United States and in several foreign countries. From an examination of the claims as set out in the patent, this Court finds that the tobacco curing apparatus that has been and is now being manufactured and sold by

the plaintiff is covered by the claims as set out in the patent in suit. It appears from the evidence that this curing system has been favorably accepted and received by the public, and over a period of several years the plaintiff has built up a large and profitable business based upon the commercial success of the patented curing system. As a matter of fact, it appears that the plaintiff is the largest manufacturer of gas-fired tobacco curing systems in the world.

On or about June 2, 1950, the defendant Hendrick, acting for and on behalf of the defendant Greenville Butane Gas Co., Inc., wrote to the plaintiff and requested information about the plaintiff's patented curing system. Plaintiff furnished the requested literature and information, which was marked with patent number 2,472,534. Again, in February of 1951, the defendant Hendrick wrote the plaintiff and, as a result of his inquiry, received further information on the patented system. This information was also marked with the patent number. In March of 1951, the defendant Greenville Butane Gas Co., Inc., ordered a complete system from the plaintiff. This system was shipped with operating instructions also bearing the patent number. Later in 1951, the defendant Greenville Butane Gas Co., Inc., ordered an additional unit from the plaintiff. In the fall or early spring of 1953 the defendants Stabler, Hendrick and Gates, acting individually and as officials and stockholders in the defendant Butane Gas Co., Inc., commenced to manufacture their own curer for tobacco. Early in 1954, these defendants commenced to manufacture and began selling such curers under the name "Colo-Rite." This manufacturing and selling of these tobacco curers was initially carried on by the individual defendants, Stabler, Hendrick and Gates, and by them through the Greenville Butane Gas Co., Inc. In August of 1954, the plaintiff by letter advised the defendants that the "Colo-Rite" curing system was "probably" an infringement of plaintiff's

patent rights. In February of 1955, the individual defendants, Stabler, Hendrick and Gates, formed the defendant corporation Colo-Rite Manufacturing Company, Inc. This new corporation was formed for the sole purpose of manufacturing and selling the tobacco curing apparatus they claim was designed by them. The sum of $1,500 was paid into this new corporation and it was paid in from the assets of the defendant Butane Gas Co., Inc. All funds for the operation of the Colo-Rite Manufacturing Company, Inc., came from the defendant Butane Gas Co., Inc., or from the loans obtained by the last named corporation upon the signature or endorsement of the defendant Stabler. The defendant Colo-Rite Manufacturing Company, Inc., being operated by these individual defendants, continued to manufacture and sell the curers that plaintiff alleged infringed their patent curers until this Court issued its preliminary injunction. Practically at all, if not at all, times since its formation the defendant Colo-Rite Manufacturing Company, Inc., and the defendant Greenville Butane Gas Co., Inc., have occupied the same office space and used the same employees.

As stated above, the invention of the patent in suit pertains to a gas-fired tobacco curing system based upon a new concept of curing wherein low, even, carefully controlled heat and high air volume are utilized to obtain new and improved results unobtainable in prior systems using high heat and relatively low air movement.

The elements set forth in the five patent claims work together in combination to produce new and unobvious results heretofore unobtainable. At the time of the invention, tobacco curing was a well-known and highly developed art, and many types of curers, both patented and unpatented, had been used with varying results. These curers can be classified into three broad types. First, the flue type of curer utilizing flue pipes extending into a barn

and into which hot air is introduced to create radiant heat within the barn. The hot air was first produced by a wood fire in a furnace connected to the flue and, later, by oil burners and coal stokers. Very little air was moved within the barn and the tobacco was cured primarily by heat radiated from the flue pipes.

A second type of curer utilized a plurality of independent gravity fed, wick-type oil burners, each having a vent stack extending through the roof of the barn for venting away a portion of the fumes and products of oil combustion. A third type of curer utilized a plurality of stove units, usually four, spaced one adjacent to each corner of the barn. Each stove usually contained four or more individual oil burners which created concentrated heat at each stove. In some instances, excess air was introduced adjacent to each stove.

These prior curers had many disadvantages, such as the use of excess heat in curing, the introduction of products of combustion and partial combustion into the barn resulting in contamination of the tobacco being cured. It was also exceedingly difficult if not impossible to adequately control the temperature of prior units. Many of these units utilizing open oil flames constituted a fire hazard which was due, in part, to the inability to adequately control temperatures. The low air movement of most of these units resulted in excessive curing times. The initial cost and short life of most of these prior curers as well as the labor cost involved in the installation and operation of the units resulted in excessive costs of curing. Frequently, poor results were obtained due to uneven curing in certain areas of the barn, excessive heat, contamination by soot, oil fumes and the like.

The use of liquid fuel in these prior curers made it very difficult to control temperature, as it was necessary to

maintain each burner absolutely level, and attempts to use thermostatic devices were not successful due to the backup of liquid fuel in the line and the requirement of electric service for adequate thermostatic control. The upkeep and replacement of these units constituted an increase in cost as oil burners after slight wear tended to burn irregularly and introduce soot and smoke into the barn. The danger of keeping liquid fuel both inside and outside the barn created a constant fire hazard. In using high temperature, much waste heat was vented out of the barn, resulting in increased fuel costs, and the inability to properly adjust the various burners resulted in uneven heat and tobacco which was improperly and unevenly cured.

The industry, for years, has worked to try to overcome these disadvantages, and in some prior curers one or more of the disadvantages were partially overcome, but insofar as the Court is aware no curer prior to plaintiff's invention successfully overcame all of these disadvantages. The art is replete with numerous patents and attempts by others to construct a curing system which would solve these problems. Almost if not all of the individual elements of plaintiff's system were known individually for years and gas fuel was available in this area for some years prior to plaintiff's invention, yet no one prior to plaintiff had the inventive concept of combining these elements with this particular type of fuel to provide a new system wherein low heat and high air movement are utilized to obtain even curing, resulting in heavier and better grade tobacco.

The gas curing system the defendants claim to have perfected, which they manufactured and sold, is practically identical with the patented system of the plaintiff. It has a plurality of gas burners, to be disposed and spaced in the tobacco barn by branch pipes; same means for regulating gas, controlling the flame, same type of control valves, same type of burners, heat spreaders, perforated

cage members, and the general layout is practically identical to the system patented by the plaintiff's assignor.

Prior to the institution of this suit and on September 10, 1956, the plaintiff gave formal notice to the defendants that it considered the product being manufactured and sold by these defendants to be an infringement of United States Patent No. 2,472,534. The defendants were by said notice called upon to immediately cease from further infringement of said patent. The defendants until enjoined refused to cease the manufacturing and selling of their tobacco curing apparatus.

To the plaintiff's claim, the defendants deny infringement and say that the plaintiff's patent is invalid upon the grounds that the subject matter and all material and substantial parts of plaintiff's apparatus had been previously patented. The defendants also say affirmatively that the application for plaintiff's patent failed to describe and claim as required by Title 35, § 112 of the United States Code; that the patent applicant knowingly described and claimed more than he had invented; that the subject matter of said patent was in public use for over one year prior to the original application; that the patent applicant concealed material facts and made material misrepresentations to examiners, thereby making said patent rights unenforceable, and also that the plaintiff has been and is now misusing the patent in illegally attempting to extend the rights conferred by said patent. The defendants also deny plaintiff is entitled to any damages even if the patent is valid and even if they have infringed it, said denial being predicated upon the alleged failure of the plaintiff to give notice to defendants, as required by Title 35, § 287 of the United States Code.

More specifically, the defendants say the curer they manufacture does not infringe the plaintiff's patent rights

even if plaintiff's patent is held to be valid, because the defendants' curer has a main pipe "at one end" of the barn but not along "the central portion" of the barn; that the defendants' apparatus has the burners in "series" instead of "parallel"; that the defendants' structure has a valve which is, as is plaintiff's structure, controlled by thermostat but that this valve completely closes, whereas the plaintiff's valve only partially closes; that the pan or heat spreader of defendants' device is on the outside of the perforated cage member and not "within" the cage member; further, that the perforated cage member of the defendants' structure is not "on the floor" but is suspended from a metal frame which rests on the floor. The defendants also claim that the plaintiff's patent is not valid because of the oral testimony of certain witnesses taken by deposition, which testimony the defendants say reflects that the device plaintiff claims to have patented was in public use in this country for more than one year prior to the filing of the application for the patent, said application having been filed on August 12, 1946. From a close study of all this testimony, this Court is of the opinion that the testimony is insufficient to sustain this position of the defendants. The testimony is vague, unsubstantiated by any documentary evidence, and, at best, tends to show that there was certain experimentation going on by certain individuals in an effort to perfect the gas fired tobacco curer, such as the plaintiff's assignor, patented. Further, the defendants state that plaintiff's patent is invalid within the meaning of Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corporation, 340 U. S. 147, 71 S. Ct. 127, 95 L. Ed. 162, since the claims of plaintiff's patent define a combination of old elements each performing their old function and therefore define nothing new or novel; and, further, that said system achieves no new and unexpected results. In support of this contention, the defendants rely upon a large number of patents as follows:

U. S. Patent No.	Patentee	Date
1,040,980	W. B. Bastian	October 8, 1912
1,170,957	J. C. Gillette	March 28, 1916
1,368,018	J. O. Brock	February 8, 1921
1,488,324	J. H. Drake	March 25, 1924
1,589,386	P. S. Harper	June 22, 1926
1,667,512	G. O. Craikshank	April 24, 1928
1,811,980	F. H. Smith	June 20, 1931
1,871,783	A. Friedman	August 16, 1932
1,888,449	G. E. Burns	November 22, 1932
2,123,204	M. J. Roberts	July 12, 1938
2,051,348	F. H. Smith	August 18, 1936
2,124,074	R. E. Mayo	July 19, 1938
2,127,445	R. M. Hardgrove	August 16, 1938
2,134,843	W. C. Rouse	November 1, 1938
2,139,344	C. S. Andersen	December 6, 1938
2,164,511	F. A. Furlong	July 4, 1939
2,170,735	R. L. Spikes	August 22, 1939
2,180,789	J. E. Browning	November 21, 1939
2,216,075	J. R. Henderson	September 24, 1940
2,197,525	R. L. Spikes	April 16, 1940
2,223,696	R. E. Mayo	December 3, 1940
2,273,284	G. G. Mott et al.	February 17, 1942
2,300,560	H. A. Faber	November 3, 1942
Re. 22,221	R. E. Mayo	November 10, 1942
2,331,476	E. A. Jones	October 12, 1943
2,470,996	W. L. McGrath	May 24, 1949
2,573,502	W. Smith, Jr.	October 30, 1951
1,509,902	Reynolds	September 30, 1924
1,493,889	Mims	May 13, 1924
265,051	Fizer	September 26, 1882

This Court specifically finds that none of the prior art advanced by these defendants anticipates any of the claims of the patent in suit, nor renders said claims devoid of their inventive character. As a matter of fact, the pat-

ents to Burns (1,888,449), Hardgrove (2,127,445), Andersen (2,139,344), Furlong (2,164,511), Faber (2,300,560), Jones (2,331,476), and McGrath (2,470,996) pertain to control systems for heating devices such as furnaces, hot water heaters and the like, and do not in any way anticipate the claims of the patent in suit for a gas-fired tobacco curing system.

The patents to Bastian (1,040,986), Harper (1,589,386), Friedman (1,871,783), Roberts (2,123,204), Browning (2,180,789), and Smith (2,573,502) pertain to gas burner construction feature of the patent in suit which is not claimed to be novel per se by plaintiff and these patents do not anticipate any of the claims of the patent in suit.

The patents to Gillette (1,176,957), Cruikshank (1,667,512), Smith (2,051,348) and Smith (1,811,980), Spikes (2,170,735) and Plott et al. (2,273,284) were considered and made of record by the United States Patent Office during the prosecution of the Horne patent in suit and the patent was issued over the disclosures of these patents. These patents do not anticipate any of the claims of the patent in suit.

The patent to Henderson (2,216,075) discloses a combination flue and open-type oil burner system similar to that disclosed in the two Smith patents placed of record by the United States Patent Office during the prosecution of the Horne patent in suit, and does not anticipate the claims of the patent in suit.

The patents to Mims (1,493,889) and Drake (1,488,324) pertain to drying houses similar to that shown in the Gillette patent placed of record by the United States Patent Office during the prosecution of the Horne patent in suit, and these patents do not anticipate the claims of the patent in suit.

The patents to Mayo (2,124,074, 2,223,696, and reissue 22,221) and Spikes (2,497,325) all disclose oil-fired tobacco curers of the stove-type similar to that shown in the Spikes patent cited by the United States Patent Office in the Horne file. These patents do not anticipate any of the claims of the patent in suit.

The patents to Rouse (2,134,843) and Fizer (265,051) are similar to the vent-type burners shown in Plott et al. (2,273,284), which was cited in the Horne patent file, and these patents do not anticipate the claims of the Horne invention.

The patent to Reynolds (1,509,902) shows a large stove-type heater utilizing fuel oil and does not anticipate the claims of the patent in suit.

The Brock patent (1,368,018) shows a plurality of elongated pipe burners into which liquid fuel jets are directed. The Brock structure appears to be inoperable and unsafe, and the patent to Brock does not anticipate the claims of the patent in suit.

This Court specifically finds that the patent in suit was the first of its kind to combine in a tobacco curing system a plurality of gas burners disposed within a tobacco curing barn, a source of liquid petroleum gas disposed on the exterior of the barn, and a pipe connecting the burners and the source with a practical and workable temperature regulator for regulating the flow of gas to the burners as desired by the operator. This Court further finds that the combination of elements claimed in the patent in suit worked together to produce a better and more advantageous curing system than previously available. The patented system permits curing in a clean, odorless atmosphere with even and uniform heat. It provides for greater volume and more uniform movement of air during the cur-

ing process and eliminates the undesirable air channel through the tobacco being cured. The patented system eliminates the need for placing fuel into the barn, eliminates the need for leveling, adjusting, and cleaning the gravity fed air-wick burners previously known to the art. The patented system provides, for the first time known to the art, an accurate, simply operated means for controlling the temperature throughout the entire tobacco curing barn and throughout all of the curing stages.

This Court concludes that since this litigation arises under the patent laws of the United States, the Court has jurisdiction of the subject matter and of the parties to this litigation. This Court further concludes that the patent number 2,472,534, as issued by the United States Patent Office on June 7, 1949, after an examination by a patent office examiner, is valid. The leading case of Mumm, v. Jacob E. Decker & Sons, 301 U. S. 168, 57 S. Ct. 675, 676, 81 L. Ed. 983, sets out the burden upon these defendants that allege invalidity of such a patent, in stating:

> "The issue of the patent is enough to show, until the contrary appears, that all the conditions under which a discovery is patentable in accordance with the statutes have been met. Hence, the burden of proving want of novelty is upon him who avers it. Walker on Patents, § 116. Not only is the burden to make good this defense, upon the party setting it up, but his burden is a heavy one, as it has been held that 'every reasonable doubt should be resolved against him.'"

The Court of Appeals for this Circuit recognizes and adheres to this basic principle of patent law. See Robertson Rock Bit Co. v. Hughes Tool Co., 5 Cir., 1949, 176 F. 2d 783; Newport Industries, Inc., v. Crosby Naval Stores, 5 Cir., 1944, 139 F. 2d 611; Cameron Iron Works, Inc., v. Stekoll, 5 Cir., 1957, 242 F. 2d 17, and Jeoffroy Mfg., Inc. v. Graham, 5 Cir., 1955, 219 F. 2d 514.

This Court further concludes that the patent in suit meets the standards of invention as set up for determining validity in § 103 of the Patent Act of 1952, and that the Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corporation case cannot be used by these defendants as a "sanctuary." This Court is of the opinion that Judge Learned Hand in the case of Lyon v. Bausch & Lomb Optical Co., 2 Cir., 1955, 224 F. 2d 530, certiorari denied 350 U. S. 944, 76 S. Ct. 193, 100 L. Ed. 799, correctly analyzes the applicable statute and the preceding case law and, as this Court now does, declined to find that the Great Atlantic & Pacific Tea Co. case theory was applicable to facts such as exist in this case. The Bausch case has been followed in the Fourth Circuit by the case of Brown v. Brock, 1957, 240 F. 2d 723, and in the Third Circuit in the case of R. M. Palmer Co. v. Luden's, Inc., 1956, 236 F. 2d 496.

Applying the test as set up by these cases to the present patented structure, it appears that despite the long existence of the individual elements of the combination and the known characteristics of gas as a fuel, no one, even though all recognized the existence of the problems in tobacco curing, produced such an invention as that here patented. As a matter of fact, the defendants' Chinese copy of plaintiff's patented device is further evidence of the validity of plaintiff's patent. See Fluid Systems v. Great Lakes Equipment Company, D. C. N. D. Ohio, 128 F. Supp. 574, 575, affirmed 6 Cir., 1954, 217 F. 2d 613, wherein the district court stated:

> "The growth of the plaintiff's business following the interruption of the war has been impressive and if there were doubts as to the inventive quality of the patent claims in suit, such public acceptance and commercial success would go far to resolve it; and the tribute paid by the defendant in adopting, in modified form, the system of the plaintiff, in great part gives considerable support to validity."

Also see Denis v. Ellis, Inc., D. C. Mass., 125 F. Supp. 583, 586, and Weller Mfg. Co. v. Wen Products, Inc., D. C. Ill. 1954, 101 U. S. P. Q. 14, 27, 121 F. Supp. 198, affirmed 7 Cir., 1956, 231 F. 2d 795.

This Court concludes further that defendants' "file wrapper estoppel" defense is without merit, since whatever cancellation in writing that was made in this instance at the request of the patent examiner was made to secure a more definite language and the defendants have failed to show that their infringement is within the area to which the "prior art could possibly have been thought to extend so as to make it impossible to make valid claims there, for "there is no reason to presume that applicant made a disclaimer broader than necessary to yield to the actual challenge to his claim." See Hunt Tool Co. v. Lawrence, 5 Cir., 242 F. 2d 247, certiorari denied 354 U. S. 910, 77 S. Ct. 1296, 1 L. Ed. 2d 1428.

This Court further concludes that the defendants, separately and severally, violated the provisions of Title 35, U. S. C. A., § 271 (a), in that they without authority made, used and sold patented invention 2,472,534 within the continental limits of the United States, while said patented invention was protected under the patent laws of the United States. This Court concludes that the evidence is clear and convincing that said infringement on the part of all the defendants was wilful and deliberate, with a full and complete knowledge of plaintiff's system and also with the knowledge that plaintiff's structure was patented and protected; further, that the infringement continued after written notice from the plaintiff, and, as a matter of fact, the defendants formed a separate sham corporation for the sole purpose of carrying on the infringement activities. It appears from the evidence in this case that the only real effort made by the defendants to deny infringement is based upon a strict and unrealistic interpretation of the words of

the patent claim, and in view of this interpretation the defendants would have this Court to say the elements they have "added" to those claimed cause infringement not to exist. Such a contention was dealt with in the case of Matthews v. Koolvent Metal Awning Co., 1946, 158 F. 2d 37, 38, where the Fifth Circuit Court of Appeals stated:

"Appealing from a decree adjudging the patent valid but not infringed, plaintiffs are here querying, 'What shall it profit a patentee that his patent is declared valid if his claims are so precisely read, the range of equivalence so narrowly confined, that piracy is rewarded for the cunningness of its dissimulation and the patentee is robbed of the fruits of his invention?'

. . . . . .

"We are not concerned here with determining whether defendant's device, which plaintiffs charge is an infringement of the Matthews' patent, is exactly the same in appearance or in form, but merely whether it is substantially the same in function. In short, the decisive question here is, reading the claims of plaintiffs' patent on the Koolvent awning and interpreting them fairly in accordance with their plain intent and coverage, does defendant's device infringe? We think it does. The doctrine of equivalency has never been a mere dry bones doctrine. But forward to do justice and prevent defrauding by dissimulation and deceit, it should be, it has been, applied to give its equitable purpose effect. Not at all recondite or difficult of understanding or application, it is the mere expression and application of the view that like things are alike and that they are not made unlike by formal and non-substantial changes, no matter how cunningly contrived the dissimulation, how clever the changes in form. We think it clear that defendant's device is substantially identical in function with, and is an in-

fringement of claims three, four, five, nine and ten of the Matthews' patent."

For all purposes, the defendants' structure is identical in function and substantially identical in form to plaintiff's patented structure. Infringement is obvious. This determination of infringement and this determination of validity of patent number 2,472,534 is effective against and binding upon all of the defendants in this case.

This Court further concludes that there is no evidence to support defendants' claim that the patent applicant knowingly described and claimed more than he had invented, or that the patent applicant concealed material facts and made material misrepresentations to the examiners, or that the plaintiff has been and is misusing the patent in illegally attempting to extend the rights conferred by the patent. The latter claim of misuse is predicated upon defendants' argument that the plaintiff's sale of assembled or partially assembled curing systems is such a misuse of the patent as will make the patent rights unenforceable. Such a contention is disposed of by the case of Electric Pipe Line, Inc. v. Fluid Systems, 2 Cir., 231 2d 370, 371, where Judge Medina stated:

"We turn to the anti-trust feature of the case. Plaintiff's claim is that defendant misused the Lines combination patent by 'attempting to bring unpatented components within the protection of said Letters Patent and to control competition in the unpatented components contrary to public policy and in violation of the anti-trust laws.' These components include electrical transformers, thermostats, tank heaters, fuel oil heaters, panel boxes, insulated couplings and insulated flanges. While these component parts are unpatented and in a sense old and well-known, those sold by defendant are especially modified or designed for use with the 'Lines Thermal Electric System

Judge Anderson found that defendant had no intention of preventing the sale of these items for use outside of its patented oil transportations system. We see no reason to disturb this finding."

In this connection, see also Great Lakes Equipment Company v. Fluid Systems, Inc., 6 Cir., 217 F. 2d 613.

The judgment, in accordance with the foregoing, will be entered and the temporary injunction heretofore issued by this Court will be made permanent.

Further proceedings, including an accounting to determine what award will be made to the plaintiff as damages within the meaning of §§ 284-288, Title 35, U. S. C. A., will be conducted.